

EAST HERTS COUNCIL

HUMAN RESOURCES COMMITTEE – 11 JANUARY 2012

REPORT BY HEAD OF PEOPLE, ICT AND PROPERTY SERVICES

PAY POLICY STATEMENT 2012

WARD(S) AFFECTED: *None specific*

Purpose/Summary of Report

To approve the Pay Policy Statement 2012

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| <u>RECOMMENDATION FOR HUMAN RESOURCES COMMITTEE :</u> | |
| (A) | That the Pay Policy Statement 2012 be recommended to Council for approval. |
| <u>RECOMMENDATION FOR COUNCIL :</u> | |
| (A) | to approve the Pay Policy Statement 2012 |

1.0 Background

1.1 A pay policy statement is required to be produced annually from 2012-2013 under section 38 of the Localism Act. Regard is to be had to any guidance from the Secretary of State in producing this statement.

1.2 A pay policy statement for a financial year must set out the Authority's policies for the financial year relating to:

- the remuneration of chief officers
- the remuneration of the lowest paid employees
- the relationship between chief officers remuneration and that of other officers

1.3 The statement must include the authority's policies relating to:

- a) the level and elements of remuneration for each chief officer
- b) remuneration of chief officers on recruitment
- c) increases and additions to remuneration for each chief officer
- d) the use of performance related pay for chief officers
- e) the use of bonuses for chief officers
- f) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
- g) the publication of and access to information relating to remuneration of chief officers.

1.4 The term 'remuneration' covers:

- a) the chief officers salary or, in the case of chief officers engaged by the authority under a contract for services,
- b) payments made by the authority to the chief officers for those services
- c) any bonuses payable by the authority to the chief officers
- d) any charges, fees or allowances payable by the authority to the chief officers
- e) any benefits in kind to which the chief officers are entitled as a result of the chief officer's office or employment
- f) any increase in or enhancement of the chief officer's pension entitlement where the increase or enhancement is as a result of a resolution of the authority, and
- g) any amounts payable by the authority to the chief officers on the chief officers ceasing to hold office under or be employed by the authority, other than amounts that may be payable by virtue of any enactment.

1.5 A pay policy statement for a financial year may also set the Authority's policies for the financial year relating to the other terms and conditions applying to the authority's chief officers.

1.6 The Secretary of State published 'The Code of Recommended Practice for Local Authorities on Data Transparency' on 29 September 2011. The Code enshrines the principles of transparency and asks councils to follow three principles when publishing data they hold; responding to public demand; releasing data in open formats available for re-use; and, releasing data in a timely way. This includes data on senior salaries and the structure of their workforce. The pay policy statement has been written using these principles.

2.0 Report

2.1 Pay Policy Statement 2012 (Essential Reference Paper B).

3.0 Implications/Consultations

Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'** .

Background Papers

Localism Bill – Part 1 Local Government – Chapter 5 Standards
The Code of Recommended Practice for Local Authorities on Data
Transparency

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ESSENTIAL REFERENCE PAPER 'A'

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| Contribution to the Council's Corporate Priorities/Objectives (delete as appropriate): | Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i> |
| Consultation: | This report has been shared with officers who are listed in the Pay Policy Statement. |
| Legal: | The actions assist the Council in complying with section 22 of the Localism Act. |
| Financial: | As detailed in the report. |
| Human Resource: | As detailed in the report. |
| Risk Management: | None. |